

**Alaska Energy Cost Reduction Program
Progress Report**

Grantee: Alaska Power Company (a/k/a Alaska Power and Telephone Company)

Project Name: APC Automated Controls Project

Grant # 2195136

Period of Report: Second Quarter 2004 (April 1, 2004 to June 30, 2004)

Project activities completed: All materials to complete upgrades in Hydaburg are on site and stored in the powerhouse. Final installation and testing is scheduled for mid summer 2004.

A temporary section of switchgear is in transit to the power plant to provide utility power during the transition. This should be in place for final installation the first weeks of August, 2004.

Options for the Coffman Cove and Thorne Bay will be discussed after completion of the Hydaburg equipment.

Project existing or potential problems: No problems exist to date. All material is within budgeted amounts.

Activities targeted for Next Reporting Period, Third Quarter 2004: Installation should begin early in the third quarter with a rapid completion expected.